

Message Text

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PAGE 01 SEOUL 02207 180704Z
ACTION EA-09

INFO OCT-01 ISO-00 SS-15 SP-02 L-03 NSC-05 INR-07
CIAE-00 EB-08 OMB-01 TRSE-00 /051 W
-----181319Z 102987 /53
R 180639Z MAR 77
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 2724

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EA PASS AMBASSADOR SNEIDER

E.O. 11652: N/A
TAGS: EGEN KS
SUBJ: DU PONT ORLON LICENSING PROPOSAL

REF: SEOUL 2137

1. S.Y. YUN, SENIOR MANAGING DIRECTOR OF HANIL, CALLED ON ECON COUNSELOR MARCH 16, EXPRESSED STRONG DESIRE TO NEGOTIATE DU PONT LICENSING ARRANGEMENT AND ARGUED THAT HANIL AND TAE KWANG AS THE EXISTING FIRMS HAD THE NECESSARY MANUFACTURING AND MARKETING EXPERIENCE IN CONTRAST TO CHONBANG AND WOULD BE ABLE TO ACHIEVE SIGNIFICANT ECONOMIES OF SCALE BY COMBINING THE NEW PLANT WITH THEIR EXISTING ONES.

2. ECON COUNSELOR NOTED DU PONT'S OBJECTION THAT HANIL WAS TIED TO THE JAPANESE. YUN DENIED THIS, STATING THEY HAD BOUGHT THE WET PROCESS TECHNOLOGY FROM ASAHI 12 YEARS AGO AND NO LONGER HAD ANY CONNECTION WITH THAT FIRM. HANIL HAD IN FACT A LICENSING ARRANGEMENT WITH SOHIO TO MANUFACTURE ACRYLIC NITRILE MONOMER AND WAS PURCHASING THE RAW MATERIAL FROM SOHIO, \$10 MILLION WORTH THIS YEAR AND
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\$20 MILLION NEXT. INDEED, HANIL'S DEPENDENCE ON THE JAPANESE DURING THE OIL CRISIS AND THE POOR TREATMENT IT RECEIVED THEN LED IT TO BUILD A 16,000 METRIC TON TANK FOR THE RAW MATERIAL IN MASAN IN ORDER TO BE ABLE TO BUY IN THE MOST ADVANTAGEOUS MARKET.

3. THE ESSENCE OF THIS HAS BEEN INDICATED TO
DU PONT AND YUN WILL TRY TO GO TO DELAWARE TO
NEGOTIATE DIRECTLY WITH DU PONT ABOUT APRIL 1.
STENBORG'S REACTION WAS THAT SEVERING THE JAPANESE
CONNECTION WAS IMPORTANT, BUT DU PONT MANAGEMENT
WOULD REMAIN CAUTIOUS.
STERN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETINGS, NEGOTIATIONS, IMPORT LICENSES, BUSINESS FIRMS, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SEOUL02207
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770093-0539
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770345/aaaabmth.tel
Line Count: 69
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 52fdeb5-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 SEOUL 2137
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3065103
Secure: OPEN
Status: NATIVE
Subject: DU PONT ORLON LICENSING PROPOSAL
TAGS: EGEN, KS, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/52fdeb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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